

vis-a-vis increasing prices of implements, fertilizers and seeds used for agricultural production;

- (b) whether Government would conduct a survey in this regard; and
- (c) if not, the reasons therefor?

**THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA):** (a) to (c) In fixing the support prices of major agricultural commodities, the Government takes into account the recommendations of the Commission for Agricultural Costs and Prices (CACP). In formulating its recommendations on prices, the CACP in order to ensure that the price covers cost of production and also provides a reasonable profit margin, conducts detailed review of cost of cultivation and production including changes in input prices and parity between prices paid and received by farmers. The cost of cultivation/production taken into account includes all paid out costs, such as, those incurred on account of hired human labour, bullock labour/machine labour (both hired and owned), cash and kind expenses on use of material inputs like seeds, fertilizers and depreciation of agricultural machinery and implements owned by the farmers etc. The cost of production covers not only actual expenses in cash and kind but also imputed value of owned assets including land and family labour. The cost estimates are generated on the basis of regular survey under the "Comprehensive Scheme for Studying the Cost of Cultivation of Principal Crops in India" conducted through the State Agricultural Universities.

#### **Constitution of National Rain-fed Area Authority**

**2592. SHRI S.S. AHLUWALIA:** Will the Minister of AGRICULTURE be pleased to state:

- (a) whether Government have constituted a National Rain-fed Area Authority as announced by the hon'ble Prime Minister in his Independence Day speech in 2005;
- (b) if so, the details thereof including its mandate and time-frame for accomplishment of specific tasks targeted, if any, for the authority; and
- (c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE  
(SHRI KANTILAL BHURIA): (a) Yes, Sir.

(b) and (c) National Rainfed Area Authority (NRAA) has a two tier structure. The first tier is the Governing Board that will provide necessary leadership and appropriate coordination in implementation of programmes. The Governing Board will be chaired by the Union agriculture Minister and co-chaired by the Union Rural Development Minister. The second tier would be the Executive Committee consisting of technical experts and representatives from stake holder Ministries.

The Executive Committee would be headed by a full time CEO and will also have five other full time technical experts. An Order for setting up of NRAA, its constitution and mandate has been issued on 3rd November 2006. The mandate of the authority are:

- (1) To prepare a perspective plan, outlining the national strategy and road map for holistic and sustainable development of rainfed farming areas.
- (2) To evolve common guidelines for all schemes of different Ministries including Externally aided Projects (EAPs) for development of Rainfed/ Dry land Farming systems.
- (3) To coordinate and bring convergence within and among agricultural; and wasteland development programmes being implemented in rainfed areas of the country.
- (4) to identify rainfed areas in different States which need priority attention and prepare watershed development programmes for integrated natural resource management in consultation with States, focusing on multi dimensional crop, livestock, horticulture, agri-pasture integrated systems and programmes for landless farming communities.
- (5) To identify gaps in input supply, credit availability, dissemination of appropriate technology and other requirements relevant for rainfed areas.
- (6) Guide the implementing agencies on priority setting and monitor the specific interventions required.
- (7) To develop plans/programmes for capacity building of Centre/State Government functionaries in rainfed areas.

- (8) To suggest modalities to strengthen National and State Level Institutions concerned with Rainfed/Dryland areas, and establish institutional linkages with prioritized watersheds.
- (9) Monitor disbursement of rural credit/insurance cover/safety net programmes developed for rainfed areas.
- (10) Set the research agenda including a critical appraisal of on-going programmes and promote diffusion of required knowledge for integrated farming in rainfed areas to district and lower level authorities.
- (11) To evaluate the effectiveness of completed watersheds and concurrent evaluation of on-going programmes

#### **Business ventures of Nafed**

**2593. SHRI S.S. AHLUWALIA:** Will the Minister of AGRICULTURE be pleased to state:

- (a) the details of non-agricultural business ventures indulged and invested in by the National Agricultural Co-operative Marketing Federation (NAFED) since during the last three years till October 31, 2006 showing items traded/projects pursued in volume, value as well as investments made in business ventures of its own and with private parties, year-wise;
- (b) the details of investment recovered, in volume and percentage, from these ventures, year-wise;
- (c) the details of secured and unsecured loans obtained by NAFED from Banks/FIs during that period and the purpose of the respective loans;
- (d) the details of disbursals under the Price Support Scheme during that period; and
- (e) the details of the last audit conducted?

**THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA):** (a) to (e) Information is being collected and will be laid on the Table of the House.